

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
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FLOOR DEBATE

March 15, 2005      LB 439

storage. Since the introduction of LB 439, we've continued to work with the Public Service Commission and the industry to reach a resolution on the interpretation of this. The Public Service Commission has offered versions of proposed rules to implement the portion of LB 735 that is addressed in LB 439. The parties are now in agreement, and largely the version incorporates many of the concepts of LB 439. The provisions in the amendment, I will just kind of quickly go over them. Defines new terms for common usage of both grain dealers and Grain Warehouse Act. These terms mirror pending definitions that the PSC is putting in their regulations, and they include a direct delivery of grain, the definition of direct delivery obligation, definition of in-storage transfer, post-direct delivery storage positions, and it retains the Revisor's view of the definition of grain dealers for clarity. Some of the parts of the amendment are, it omits the grain dealer's payable concept of the original bill, but retains a similar concept by amending 75-905 to the Grain Dealers Act. The amendment clarifies that a warehouseman's grain dealer's security secures payment for the value of the direct delivery grain until such time as the post-direct delivery position is consummated, up to 30 days. The grain dealer's security includes the value of the direct delivery grain on the date of delivery, excluding direct delivery grain if it is satisfied that same day. So you have some time period for the paperwork to be transferred between the direct delivery and the warehouse unless it would be done the same day; then the grain dealer's bond does not cover. The bond for the grain dealer covers until the paperwork is done, then the bond is covered by the Warehouse Act. It omits the certified elevator concept in the original bill. The original bill stated that only those could direct delivery. If they were certified, they had to give a financial statement, and many other things. Felt like it was too cumbersome, and it would eliminate some of the smaller elevators to do this; and the Public Service Commission felt like it was not necessary, so that's eliminated. It omits the provisions in the original bill creating a new disclosure form, and also omits the authorization of issuing scale tickets. This is all done in the rules and regs now. They will design a scale ticket that works so they can follow the paperwork through, so it did not have to be in the original bill. An express prohibition against recording